



Government of the District of Columbia
Vincent C. Gray, Mayor
Department of Insurance, Securities and Banking



Chester A. McPherson
Interim Commissioner

IN THE MATTER OF:

Obsidian Financial Group, LLC.,

Respondent

SC # SB-CO-16-13

**MOTION FOR
DEFAULT JUDGMENT AND ORDER**

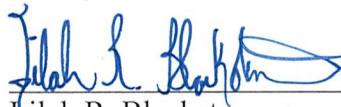
Counsel for the Department the Department of Insurance, Securities and Banking ("Department") moves this hearing officer for a judgment by default in this action, and provides the following in support of its motion:

- 1) On December 9, 2013, the Department issued a Notice to Show Cause, Order No. SB-SC-16-13 ("Notice") based on allegations by the Department's Securities Bureau that Respondent had violated a provision of the District of Columbia's Securities Act of 2000, effective September 29, 2000 (D.C. Law 13-203; D.C. Official Code §§ 31-5601.01 et seq. (2001)) ("Act").
- 2) The Notice was mailed via United States Postal Service using *Certified Mail with Tracking* on December 12, 2013 to the address contained in the Respondent's licensing files. A Proof of Delivery was received by the Department on December 17, 2013 at 11:17am.
- 3) No answer or other defense was filed by the Respondents.
- 4) Department's Notice alleges that as a registered broker-dealer in the District of Columbia, Respondent was the subject to an order within the past 10 years by the Financial Industry Regulatory Authority ("FINRA"), formerly known as the National Association of Securities Dealers ("NASD"), suspending its license as a broker-dealer, in violation of the D.C. Official Code §31-5602.07(a)(6).

Wherefore, Commissioner has the authority to revoke a license, under D.C. Official Code § 31-5602.07 if the Commissioner finds that the broker-dealer is the subject of an order entered within the past 10 years by a securities administrator or by FINRA, pursuant to D.C. Official Code § 31-5602.07(a)(6).

Wherefore, pursuant to 26-B DCMR § 304.10, Counsel seeks to have the Department's Notice to Show Cause deemed as admitted, and seeks to have a Final Order Of Revocation entered against Respondent.

Respectfully submitted,



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Government of the District of Columbia
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IN THE MATTER OF:)
)
) SC # SB-CO-16-13
Obsidian Financial Group, LLC.,)
)
Respondent)
_____)

**PROPOSED DEFAULT JUDGMENT
AND ORDER OF REVOCATION**

The Hearing Officer enters a Proposed Default Judgment and Order of Revocation against Obsidian Financial Group, LLC. ("Respondent"), based upon the finding of facts and conclusions of law contained herein:

PROPOSED FINDING OF FACTS

1. Obsidian is a licensed broker-dealer (CRD# 104255) in the District of Columbia.
2. On October 16, 2013, FINRA expelled Respondent's license for failure to file its May 2013 Focus Report.
3. On December 23, 2013, the Department issued a Notice to Show Cause, Order No. SB-SC-16-13 ("Notice") based on allegations by the Department's Securities Bureau that Respondent had violated a provision of the District of Columbia's Securities Act of 2000, effective September 29, 2000 (D.C. Law 13-203; D.C. Official Code §§ 31-5601.01 et seq. (2001)) ("Act").
4. The Notice was mailed via United States Postal Service using Certified Mail with Tracking on December 12, 2013 to the address contained in the Respondent's licensing files. A Proof of Delivery was received by the Department on December 17, 2013 at 11:17am.
5. No answer or other defense was filed by the Respondents.

PROPOSED CONCLUSIONS OF LAW

The documentation presented by the Department's counsel reflected that due notice of the hearing and charges against Respondent were mailed to her by the Department at her last known residential, mailing and business addresses of record, and that a Domestic Return Receipt Card was returned documenting receipt of the Notice at the address of record.

Therefore the Department has satisfied the service requirements of 26B DCMR § 304. The Respondents failed to appear at their hearing or to attempt to contact either the Hearing Officer or the counsel for the Department.

Furthermore, by their failure to appear and defend this matter, the Respondents did not dispute the allegations in the Department's action.

Therefore, given the evidence presented and the conclusions of law of this Hearing Officer, the Department's Notice to Show Cause shall be deemed as admitted, and the broker-dealer license of Respondent can be Revoked.

PROPOSED ORDER

Based upon the record and the foregoing facts, it is hereby

ORDERED: That a DEFAULT DECISION BE, AND HEREBY IS, ENTERED against the Respondent for failing to appear; and it is

FURTHER ORDERED: That Respondent's broker-dealer license, CRD# 104255, BE, AND HEREBY IS, REVOKED.

3/11/2014
Date



Lisa D. Butler
Hearing Officer
Department of Insurance, Securities and
Banking

IN THE MATTER OF:

Obsidian Financial Group, LLC.,
Respondent

SC # SB-CO-16-13

FINAL ORDER

Upon consideration of the Proposed Order for Default Judgment in the above captioned matter and the entire record herein, **IT IS HEREBY ORDERED** that a **DEFAULT DECISION IS ENTERED** against the Respondent for failing to appear. **IT IS FURTHER ORDERED THAT** That Respondent's broker-dealer license, Respondent's broker-dealer license, CRD# 104255, BE, AND HEREBY IS, **REVOKED**.



A handwritten signature in blue ink, appearing to read "Chester A. McPherson".

Chester A. McPherson

Interim Commissioner

Department of Insurance, Securities and Banking

Dated: This 12th day of March, 2014

cc:

Obsidian Financial Group, LLC
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Office of General Counsel

J. Carl Wilson
Deputy General Counsel
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